Maurice Hinchey NEWS

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HINCHEY REACTS TO PRESIDENT'S STATE OF THE UNION ADDRESS

WASHINGTON - U.S. Representative Maurice Hinchey (NY-22) tonight issued the following statement in reaction to President Bush's State of the Union address:

"Tonight President Bush laid out an ambitious domestic agenda. Some of his stated goals are admirable, but he appears unwilling to provide the resources necessary to achieve them. For instance, he congratulates himself for achieving 'historic education reform,' yet he has refused to fully fund the No Child Left Behind Act and now proposes the weakest education budget in seven years. He claims to want to dramatically improve the environment while consistently undermining clean air and clean water protections.

"The president devoted a large portion of his speech tonight to the economy of our nation and rightly so. This economy has lost 2.3 million jobs over the past two years and there are now 8.6 million Americans out of work. The record federal budget surplus we enjoyed when President Bush took office has turned into a record deficit in record time.

"But the president's remedy for our economic ailments is more of the same medicine that has failed to work for the past two years. He proposes another huge tax cut -costing almost \$1 trillion when interest is included- that primarily benefits the wealthiest people in the country. The centerpiece of the Bush plan -elimination of the tax on stock dividends-will provide a tax cut for only one in five Americans. Many of those who do have dividend income, will see a tax reduction of only a few dollars. Approximately half the citizens of this country will have their federal taxes reduced by less than \$100 by the entire White House proposal. Thirty-one percent of the country will get exactly zero benefit. In New York the percentage is 34 percent, nearly three million people. Meanwhile the average tax cut for the richest one percent of Americans under this plan is over \$30,000.

"The White House ignores the fact that cutting the federal government's revenue, and therefore its expenditures, simply transfers the burden to states and municipalities. Those governments will have to raise taxes to stay afloat and middle- and lower-income Americans will end up paying more total taxes than before while losing vital services.

"President Bush also talked about improving health care, a goal I share whole-heartedly. But again the president's plan is ill conceived. He says he wants to "reform" Medicare, but what he means is that he wants to privatize it, by pushing senior citizens to join HMOs if they want prescription drug coverage. Only fifteen percent of senior citizens belong to Medicare HMOs now.

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"In the district I represent, more than 99 percent of senior citizens cannot join an HMO even if they wanted to. There is only one HMO offering a Medicare plan in the eight-county span included in the 22nd district. Unfortunately this is just a cynical attempt by the White House to allow the president to say he's keeping his promise to provide senior citizens with prescription drug coverage. At the same time, he advances his party's efforts to privatize the Medicare system.

"The president also thinks limiting Americans' ability to seek financial redress when they are victims of malpractice will lower health care costs. The fact is that medical malpractice premiums make up less than one percent of the nation's health care costs. Eliminating medical liability entirely would have virtually no impact on the cost of care.

"A third major element of the State of the Union address was the touting of so-called 'compassionate conservatism.' This, perhaps, is the area in which the gap between reality and White House rhetoric is the widest. While gushing about compassion, the president proposes a budget that would devastate programs designed to help those most in need of compassion. The Bush budget would eliminate various low-income housing programs, cut off 33,000 children from child care, 438,000 families from heating assistance, and 36,000 seniors from nutrition programs.

"President Bush began tonight's speech that he would not ignore the country's problems or pass them on to 'other Congresses, other presidents, and other generations.' Unfortunately, his domestic policies will do precisely that.

"America and the world has been eagerly awaiting more information from the president on the urgent need to wage war on Iraq. Tonight he continued his pattern of putting off the release of that information until a later date. It reminds me of the old movie serials, which built to a dramatic climax only to end with a tease to 'tune in next time.' Well tonight's episode is over and now we must wait until February 5 for the denouement.

"With the information currently before us, I remain firmly opposed to an attack on Iraq. Failing to allow the weapons inspectors to complete their work and going to war without the support of the U.N. Security Council will have catastrophic results."